



Governor's Recommendations for FY 2010

Last Wednesday, the Governor released his budget recommendations for FY 2010, proposing a reduced budget that spends a total of \$6.2 billion from the General Fund. The Governor's proposal closes a projected budget gap without increasing taxes by continuing \$180 million in reductions made in the current FY 2009 budget, implementing 6.5% in reductions to most areas of the budget in FY 2010, which will save an estimated \$400 million, and using \$200 million from the State's Cash Reserve Fund.

The Governor's General Fund recommendation for the Department of Elder Affairs is \$4.9 million for FY 2010, a decrease of \$536,000 when compared to the original appropriation that was provided in HF 2425 (Health and Human Services Appropriations Act) for FY 2009. The Governor also recommends \$8.5 million for the Department from the Senior Living Trust Fund (SLTF) for FY 2010, which is no change compared to the current fiscal year.

Update on Disaster Recovery Legislation

The General Assembly passed [HF 64](#) (Disaster Relief Bill) last week, which provides \$56 million from the Economic Emergency Fund to assist Iowans impacted by disasters. The Bill now goes to the Governor for his signature and is expected to be signed by him on Monday, February 2.

The Iowa Finance Authority will receive \$24 million for the Jumpstart Iowa Housing Assistance Program. Iowans affected by the disaster are eligible for housing assistance if their income is not more than 150% of the average median income. Preference will be given to those who have not received previous aid and they may receive up to \$24,999.

Another \$10 million is appropriated to the Department of Human Services (DHS) for disaster assistance grants up to \$2,500 for households with income at or less than 300% of the federal poverty level. For a family of four, that amounts to \$66,000. The grants may be used for personal needs, child care, mental health services, and certain other disaster-related needs.

There is \$22 million appropriated to the Department of Management (DOM) for disaster grants to cities and counties that may be used for small business and non-profit assistance, purchase of land, housing assistance, and other specified areas.

House File 64 also establishes the Rebuild Iowa Office (RIO), including its duties and reporting requirements; creates a coordinating council with various state agency members, including representation from the Department of Elder Affairs; and sunsets the RIO as of June 30, 2011.

The General Assembly also passed [SF 44](#) (Disaster Sales Tax Bill) last week, which establishes an expedited procedure for a city in a federally declared disaster area that does not have a local option sales tax to impose one. The bill now goes to the Governor for his signature. Voters must still approve a measure to add a local option sales tax and it cannot be imposed unless the majority of those voting support it. If elections are held in March, the community can begin collecting the revenue in April. If the vote is taken in May, the community will receive the new revenue starting July 1. The expedited process will only be in place through May 5.

Health and Human Services Appropriations Subcommittee

The Joint Health and Human Services Appropriations Subcommittee met on January 27 and 29. On January 27, the Legislative Services Agency (LSA) provided an overview of agency budgets under the purview of the Subcommittee. On January 29, updates on various health care reforms were provided.

Senate Republicans appointed Senator Johnson to the mental health funding workgroup that also includes Senator Ragan and Representatives Wessel-Kroeschell and Schulte. The workgroup meets every Wednesday from 7:30 to 8:30 AM in Room 22.

Senate Republicans also appointed Senator Hartsuch to the Resource Center workgroup that includes Senator Schmitz and Representatives Heddens and Heaton. The workgroup will meet every Thursday beginning February 5 at 7:30 AM in the Supreme Court Consultation Room, 102.

The tentative agenda for February 2 is an LSA review of the Governor's FY 2010 budget recommendations and funding expected to be received under the federal stimulus package. Agendas for the meetings may be accessed on the General Assembly's web site [here](#).

Human Resources Standing Committees

The House Human Resources Committee passed HSB 6 (Mental Health Parity Bill) to expand health care coverage to include mental health conditions, including alcohol and substance abuse treatment. The Bill is now HF 139 and moves to the House Floor for debate.

The Senate Human Resource Committee heard a presentation from Director Tom Newton, Department of Public Health.

Upcoming Meetings

Commission on Elder Affairs

Monday, February 2, 1:30 PM

Historical Building, Classrooms A & B

Des Moines

Commission Day at the Capitol

Tuesday, February 3, 8:30 AM

State Capitol

Des Moines

Bills of Interest – Introduced This Week

The following bills are being monitored by the Department. The bills may be accessed on the General Assembly's web site at: www.legis.state.ia.us.

HF 64 Disaster Relief – Appropriates \$56 million from emergency funds for disaster relief. (Sent to the Governor) (Formerly HSB 64)

HF 92 Senior Home Owners – Prohibits property taxes from increasing by more than 2% a year on a homestead if the owner is 65 or older. Exempts the adjustments from provisions requiring the state to fund property tax credits. (Referred to Ways and Means)

HF 130 Frail Elderly – Prohibits the monthly reimbursable cost for case management for the frail elderly under the Medicaid waiver from exceeding \$115. (Referred to Human Resources)

HF 139 Substance Abuse Coverage – Requires health coverage plans to include coverage for mental conditions involving alcohol or substance abuse, effective January 2010. Makes definitions and requires the Insurance Commissioner to adopt rules. (House Floor) (Successor to HSB 6)

HSB 92 False Claims Act – Establishes a state false claims act to allow the state to collect portions of recoveries for false Medicaid claims. (Referred to Judiciary) (See also SSB 1061)

HSB 80 Private Right of Action – Creates a private right of action for consumer fraud. (Referred to Judiciary) (See also SSB 1082 and SSB 1037)

SF 48 Iowa Health Care Partnership – Creates the Iowa Health Care Coverage Program. Allows state employees, public officials, retired employees of a non-state public employer, and employees of non-profits and small businesses to be treated as state employees for the purchase of health care coverage. (Referred to Human Resources)

SF 53 Frail Elderly Appropriation – Appropriates \$2.7 million to the DEA for the frail elderly as identified in the most recent frail elderly unmet needs report. (Referred to Appropriations)

SF 54 Medicaid Case Management Appropriation – Appropriates \$1.6 million to the DEA for case management under the Medicaid elderly waiver. Directs the DEA to transfer the money quarterly to the DHS. (Referred to Appropriations)

SF 55 Older Iowans Legislature – Creates an Older Iowans Legislature Fund for the DEA and appropriates \$50,000 for the Fund. (Referred to Appropriations)

SF 56 Elder Abuse – Appropriates \$441,000 to expand the initiative to prevent elder abuse to 11 additional counties. (Referred to Appropriations)

SF 58 Long Term Care Insurance – Requires the Insurance Commissioner to adopt rules for terms and benefits in long-term care insurance policies and to adopt rules on a standard format for standard terms and benefits. Allows the Insurance Commissioner to adopt a consumer guide prepared by another entity by reference only if the guide meets all Code requirements. Applies to policies offered or delivered after July 2009. (Referred to Commerce)

SF 60 Medicaid Reimbursements – Requires that Medicaid reimbursements under the home and community-based services waiver for the elderly be recalculated annually based on the annual inflation factor for the skilled nursing facility market basket index for Medicare and Medicaid services. (Referred to Human Resources)

SSB 1122 Prosthetic Coverage – Requires insurance coverage for medically necessary prosthetic devices. Applies to policies delivered after July 2009. (Referred to Commerce)

Bills of Interest – Introduced in Previous Weeks

HF 52 Medical Equipment Coverage – Requires the DHS to adopt rules to have the same level of coverage for all specialized medical equipment under all Medicaid home and community-based service waivers. (Referred to State Government)

HF 53 Vacant Positions – Concerning the use of moneys appropriated but unexpended for certain vacant state employee positions. (Referred to Appropriations)

HF 57 Assisted Living Waiver – Directs the DHS to seek a Medicare/Medicaid waiver to add assisted living services to the home and community-based service waiver for the elderly under Medicaid. (Referred to Human Resources)

HF 62 Contested Case Appeals – Makes the actions by an Administrative Law Judge at an administrative contested case proceeding the final decision that can be appealed to the court. Removes the ability of an agency head to reverse the decision, with some exceptions. (Referred to State Government)

SF 26 Uninsured Hospital Discounts – Creates a discount for uninsured patients at hospitals and established eligibility guidelines. (Referred to Human Resources)

SSB 1061 False Claims Act – Establishes a state false claims act to allow the state to collect portions of recoveries for false Medicaid claims. (Referred to Judiciary)

SSB 1082 Private Cause of Action – Creates a private cause of action for consumer fraud. (Referred to Judiciary) (See also SSB 1037)

SSB 1089 Wage Discrimination – Makes discrimination against any employee in pay because of age, race, creed, color, sex, sexual orientation, gender identity, national origin, religion, or disability an unfair employment practice. (Referred to State Government) (See also HSB 73)

HF 5 Funeral Trusts – Increases the amount of payments made for a purchase agreement for cemetery merchandise or funeral services and merchandise that must be placed in a trust or covered by a surety bond to 100%. (Referred to Commerce)

HF 20 Driver Safety Education – Provides for reduced automobile insurance premiums for older adults who complete a certified driver safety education course. (Referred to Transportation)

SF 16 Substance Abuse Coverage II – Requires health coverage plans to include coverage for mental conditions involving alcohol or substance abuse, effective January 2010. Makes definitions and requires the Insurance Commissioner to adopt rules after consulting with a mental health insurance advisory committee, appointed by the Commissioner and with members from business, insurance, consumer, and health groups. (Referred to Human Resources) (See also SSB 1002)

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The mission of the Iowa Department of Elder Affairs (IDEA) is to provide advocacy, educational, and prevention services to help Iowans remain independent as they age. The IDEA provides over \$31 million in services through a network of 13 Area Agencies on Aging across the State.

For more information on the IDEA, visit: www.state.ia.us/elderaffairs. To locate resources for older adults and people with disabilities, visit: www.lifelonglinks.org.